

Newsletter NOVEMBER 2003



1. Report on disciplinary proceedings from Council

Members will be aware that a formal complaint against a member of the Society has been outstanding for some time and the following summarises the findings in respect of the complaint.

Summary of Complaint

The member concerned prepared a letter to pensioners on behalf of the Trustees, setting out information for them to consider in relation to a cash-out offer being made by the Trustees, and signed the letter. In the opinion of the adhoc subcommittee of the Professional Conduct Committee and of Council, the letter was considered to be actuarial advice but did not provide sufficient information for a pensioner to judge the merits of the offer, did not give a balanced view of the advantages of the pensioner retaining their pension versus exercising the cash out offer and was, in part, misleading.

Council has supported a finding of a breach of professional conduct of a nature warranting a disciplinary finding against the member. The member has been formally admonished. A more serious penalty was not imposed, taking account of the disruption to the member's professional work arising from responding to this complaint, the significant legal costs incurred by the member, and the belief that publishing the member's name would be out of proportion to the conduct involved.

Doune Connett

Peter Davies

Herwig Raubal

Brian Lenehan

2. Committee reports

Conference Committee. Planning is continuing for the 2004 conference. The dates are 14 to 17 November 2004 at the Napier War Memorial, Hawkes Bay with accommodation at the Scenic Circle Hotel. The committee will be looking for volunteers to write papers and will approach both individuals and the different practice committees to get this underway. Again it is hoped to have a strong contingent from overseas and also to involve members of other professions and Government people.

Education Committee Advice has been received from Carolyn Maclulich at the Australian Institute that enrolment of students with the IAAus can now be put in place. Students currently enrolled with the U.K. would be given the opportunity to transfer. If you are unsure why to join Australia please discuss this with Charmaine or another committee member.

Experience Investigation Linda Page is working on this.

Human Rights Anne will be talking to the Australian Human Rights Committee and Alan Doble to see what issues they were looking at, especially with regard to genetics. Eric Judd had attended an Australian Life Insurance meeting on genetics. A challenge for the committee is engaging the Human Rights commission to achieve tangible outcomes. It is good to see that Richard Johnson has been talking to the various relevant committees of the London institute.

Investment Committee Peter Lynn has circulated a revised draft Guidance Note "Treatment of Deferred Tax Liability/Asset for Unrealised Capital Gains/Losses" to committee members after taking account of the comments on the first draft. It is noted that in this area it is difficult to get our members who work in this area involved. Australia have the same problem.

Life Committee The review of the Life Act by the Law Commission is continuing. There is a level of confidence that the review will achieve a good outcome although it will need to focus on the regulatory regime aspects and less so on the other aspects of the current legislation such as whether minors should be insured or not. Work on revising GN5 is nearing completion.

Health Committee This new committee is now up and running.

Superannuation Committee Bernard Reid has organised a submission for the Business Law reform act and discussion with IRD on the SCWT regime. A lunch meeting with the ISI is planned shortly to discuss further the whole issue of retirement savings in NZ. The committee, like the profession is looking eagerly to the publication of the report of the Periodic Reporting Group, chaired by Vance Arkinstall.

General Insurance Committee A survey by Richard Beauchamp as part of the planning for a one-day seminar for GI actuaries, students and others with an interest in statistical and actuarial GI work has been circulated. The one day event will now run early next year.

3. New Fellows

We have two new fellows, Kate Dron and Ian Barbour. Congratulations on your success.

4. International Accounting

The draft NZ standard has now been circulated and Ian Perera will prepare a response for the society.

There is a great need for members of the society to get involved in the discussions re the revisions to ED5 and FRS34 and FRS 35.

5. Need to rethink how we organise the NZ Society

I hold the view that we need to rethink how we manage our affairs. Essentially, if we are to make a difference we need a resource available; preferably a recently retired actuary, who can devote two days a week to progressing all the opportunities there are and to have input to the formulation of policies and implementation of Government policy.

6. Government Actuary

The GA's role is critical to the future of the profession in NZ and David Benison will be addressing the AGM in late November.

7. Website

This is the critical means of communicating to members and we are STILL looking for someone to work with Fran Jenkins the Secretary to manage the site. Any volunteer?

8. Visit of Chris Lewis, Australian President, Friday 17 October

The visit of Chris and his successor Graham Rogers seemed to be a great success. As ever Wellington has a higher turnout despite Auckland now having more members located here.

9. AGM

Members will have received notice of the AGM on 26 November in Wellington.

Mark Weaver
17 November 2003